



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 12, 2008

S. 3328

A bill to amend the Homeland Security Act of 2002 to provide for a one-year extension of other transaction authority

*As ordered reported by the Senate Committee on Homeland Security
and Governmental Affairs on July 30, 2008*

Current law permits the Department of Homeland Security (DHS) to waive the requirements of the Federal Acquisition Regulation (procedures that guide federal procurement actions) for certain research and development projects. DHS allocated about \$400 million for such projects over the 2004-2007 period, enabling the department to increase its use of small contractors for research and development activities. This authority (known as “other transaction authority”) is scheduled to expire on September 30, 2008; S. 3328 would extend it for one year.

Based on information from DHS about the department’s research and development plans, CBO estimates that implementing S. 3328 would not significantly affect DHS spending for those activities. Enacting the bill would not affect direct spending or revenues.

S. 3328 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Mark Grabowicz. This estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.